

PHARMACY PROGRAM CHANGES EFFECTIVE JULY, 2009

The State Fiscal Year 2010 budget includes several measures that affect Vermont pharmacies, prescribers and beneficiaries of Vermont's publicly funded pharmacy programs.

90-Day Prescriptions for Maintenance Drugs

Each time a drug is dispensed, a dispensing fee is paid to the pharmacy. Medicaid policy currently allows for the dispensing of maintenance medications in 90-day supplies but few prescriptions are written in this manner. The result is that more dispensing fees are paid than are medically necessary.

Effective July 15, 2009, **when OVHA is the primary payer, pharmacies will be required to dispense designated classes of maintenance drugs in 90-day supplies after the first fill.** This limit will not apply to the first fill to allow prescribers the opportunity to test for therapeutic effectiveness and patient tolerance. It will not apply to changes in dosage, as those are considered new prescriptions. After the first fill, prescriptions written for select maintenance drugs must be rewritten for a minimum of 90 days for the drug to be covered. Please be aware that:

- The full list of classes of drugs affected by this change will be posted on the OVHA's website at <http://ovha.vermont.gov/for-providers>.
- Examples of selected drug classes include: contraceptives, hormonal therapies, anti-diabetics (excluding insulin and other injectables), thyroid hormones, bisphosphonates, antihypertensives, cardiac medications, diuretics, lipid lowering drugs, drugs for asthma and COPD, PPIs, pancreatic enzymes, inflammatory bowel agents, phosphate binder agents, urinary antispasmodics, vaginal estrogens, prostatic hypertrophy agents, antimentia and antiparkinson agents, potassium supplements, platelet aggregation inhibitors and glaucoma medications.

For beneficiaries with other primary insurance including Medicare Part D, this rule does not apply.

VPharm Pilot Program for Statins and Proton Pump Inhibitors (PPIs)

In this year's legislative session, the elimination of VPharm was considered. VPharm provides coverage for Medicare Part D cost sharing. In the end, VPharm survived with changes designed to make the program less costly to the state budget. One change needs your support in the effort to contain costs to protect the program. It is a pilot to limit the drugs covered to generics and OTCs in select classes. Effective July 15, 2009, **OVHA will only cover the cost-sharing (deductible, donut hole and coinsurance) for select statins (HMG COA reductase inhibitors) and proton pump inhibitors (PPIs) for VPharm Part D-eligible beneficiaries.**

- Statins – all dosage strengths of simvastatin, lovastatin and pravastatin.
- PPIs – omeprazole RX 10 mg and 20 mg and Prilosec OTC 20 mg.
- Most of the drugs no longer covered by VPharm under this pilot do not require prior authorization (PA) from the Part D Plans. However, if a beneficiary obtained a PA from his/her Part D Plans prior to July 1st, 2009, the drug will continue to be covered by VPharm. It appears this is only the case with Lipitor for those enrolled in First Health Part D Premier Plan and First Health Part D Secure Plan. Prescribers and pharmacists who identify other branded statins or PPIs covered by Medicare Part D plans through prior authorization should notify Stacey Baker: (802) 879-5912 to get an exception on file.
- If no Medicare Part D prior authorization is in place prior to July 1, a VPharm coverage exception may be possible for a non-covered drug but only when a prescriber can detail the conditions that make it strictly medically necessary and/or provide evidence that the VPharm covered drugs are harmful.

Other Changes

Bulk Powders Used in Compounding

Effective July 15, 2009, **bulk powders/chemicals/products used in prescription compounding will no longer be covered by the pharmacy programs administered by OVHA.** CMS has clarified that bulk products are not considered covered outpatient drugs because they are not prescription drug products approved under section 505, 505(j), or 507 of the Federal Food Drug and Cosmetic Act. Please be aware that when prescribing compound drug products to your patients, pharmacies will be required to utilize other non-bulk, FDA-approved products for the claim to be covered (for example, tablets or capsules). Bulk powders used to compound products for the prevention of pre-term labor will continue to be covered after Prior Authorization when no commercial alternative exists.

Please contact Jennifer Mullikin in the OVHA Pharmacy Unit should you have questions. She can be reached at (802) 879-5900.